



Culver CITY

DAN PATACCHIA MEETING ROOM
9770 CULVER BOULEVARD
CULVER CITY, CALIFORNIA 90232-0507
CITY HALL Tel. (310) 253-6000
FAX (310) 253-6010

GORAN ERIKSSON, Chair
CRYSTAL ALEXANDER, Vice-Chair
RICHARD HIBBS, Member
SEAN KEARNEY, Member
ALEJANDRO LARA, Member
JANE LEONARD, Member
STEVEN REITZFELD, Member
BRYAN SUA, Member
DAVID TROVATO, Member

FINANCE ADVISORY COMMITTEE MEETING AGENDA Wednesday, December 9, 2015

PUBLIC COMMENT

The Finance Advisory Committee will listen to the public on any item on the agenda or item of interest that is not on the agenda. The Finance Advisory Committee cannot take action on any item not scheduled on the agenda. Such items may be referred for administrative action or scheduled on a future agenda.

If you wish to speak to the Committee, please complete a Speaker's Card and present it to the staff liaison before the agenda item is called. You will be called by name when it is your turn to speak to the Committee.

PUBLIC COMMENT FOR ITEMS ON THE AGENDA

Persons wishing to speak on agenda items will be called at the time the agenda item is brought forward. Comments will generally be limited to five minutes per speaker; however, a three-minute limit may be declared by the Chair for agenda items for which many Speaker Cards have been submitted.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

A total of twenty minutes shall be devoted to audience participation at the beginning of the agenda. Speakers will be called on in the order cards were received by City staff. If additional time is needed, the committee chair will allow for same at the end of the agenda.

When your name is called, please stand and state your name and city of residence. Speakers must limit their comments to five minutes. A three-minute limit may be declared by the Chair if there are a large number of individuals desiring to address the Council.

AUTHORITY OF PRESIDING OFFICER

Section 611 of the City Charter provides that during any public meeting, all persons shall have the right to address the City Council, and any City commission, board or committee, subject to reasonable rules of decorum and time limits established by ordinance or the presiding officer. Therefore the presiding officer may, from time to time, establish different time limits than those listed in this Agenda in order to effectively conduct Committee business.

CELL PHONES AND OTHER DISTRACTIONS

Use of cell phones, pagers, and other communication devices is prohibited while the Committee meeting is in session. Please turn all devices off or place on silent alert and leave the meeting area to use. During the meeting, please refrain from applause or other actions that may be disruptive to the speakers or the conduct of City business.

MEETING INFORMATION

Finance Advisory Committee Meetings are regularly scheduled for the second Wednesday of every month. Committee Agenda information is available at least 72 hours before each meeting via posting at City Hall, and on the City website. Information may also be accessed by calling the Finance Department at (310) 253-5865.



Agendas are
Available on the web at
www.culvercity.org

FINANCE ADVISORY COMMITTEE REGULAR MEETING AGENDA

Wednesday, December 9, 2015
7:00 PM
Dan Patacchia Meeting Room

CALL TO ORDER & ROLL CALL:

Goran Eriksson, Chair
Richard Hibbs, Member
Alejandro Lara, Member
Steven Reitzfeld, Member
David Trovato, Member

Crystal Alexander, Vice-Chair
Sean Kearney, Member
Jane Leonard, Member
Bryan Sua, Member

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT – Items Not on the Agenda

CONSENT CALENDAR (*Consent Calendar items are considered to be routine in nature and may be approved by one motion. Public requests to discuss Consent Calendar items must be filed with the Secretary before the Consent Calendar is called.*)

C-1. Minutes of the November 11, 2015 Regular Meeting.

ACTION ITEMS (*Public requests to discuss Action Items must be filed with the Secretary before the item is called*)

A-1. Approval of Measure Y Sales Tax Status Report for Transmittal to City Council

A-2. Discussion of Benchmarking Study

ITEMS FROM STAFF

S-1. Discussion of January Agenda

ITEMS FROM COMMITTEE MEMBERS

ADJOURN

THESE MINUTES ARE NOT OFFICIAL UNTIL APPROVED BY THE
CULVER CITY FINANCE ADVISORY COMMITTEE

REGULAR MEETING OF THE
CULVER CITY FINANCE
ADVISORY COMMITTEE
CULVER CITY, CALIFORNIA

November 11, 2015
7:00 p.m.

CALL TO ORDER & ROLL CALL

Chair Eriksson called the meeting of the Finance Advisory Committee to order at 7:01 p.m. in the Dan Patacchia Meeting Room.

Members Present: **GORAN ERIKSSON**, Chair
 RICHARD HIBBS, Member
 ALEJANDRO LARA, Member
 JANE LEONARD, Member
 STEVEN REITZFELD, Member
 BRIAN SUA, Member
 DAVID TROVATO, Member

Absent: **CRYSTAL ALEXANDER**, Vice Chair
 SEAN KEARNEY, Member

Staff Present: **Jeff Muir**, Chief Financial Officer
 Erica McAdoo, Senior Budget Management Analyst
 Michelle Villongco, Secretary

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Pledge of Allegiance

Steven Reitzfeld led the Pledge of Allegiance.

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Public Comment for Items NOT On the Agenda

Chair Eriksson invited public comment.

No cards were received and no speakers came forward.

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Consent Calendar

Item C-1

Meeting Minutes

Discussion ensued between staff and Committee Members regarding stipulation as to whether absences are excused or not; the allowable number of absences; a request to indicate excused absences; and tardiness.

THE FAC PASSED A MOTION APPROVING THE MINUTES FOR THE REGULAR MEETING OF OCTOBER 14, 2015 (ABSENT VICE CHAIR ALEXANDER AND MEMBER KEARNEY).

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Action Items

Item A-1

Discussion of Benchmarking Study

Erica McAdoo, Senior Budget Management Analyst, expressed gratitude for the work done; reviewed information; and discussed titles, subtitles and the flow of the document.

Discussion ensued between staff and Committee Members regarding the title of the document; actual expenditures and revenues; a suggestion to call it the Culver City Municipal Benchmark Study; a suggestion to include an introduction explaining methodology used; documenting the process; clarification that the item is a work plan item directed by the City Council; day population for the City; source information; State Controller data; formatting; ordering cities by county; ordering the table alphabetically; property taxes; utility users tax; transit occupancy tax; different rates between different cities; itemizing; defining taxes; Measure Y; supporting information; Department of Finance estimates; consistency; illustrating and analyzing differences; per capita revenue; costs; ranking; relevance; providing context; total revenue; revenue sources; zeros vs. no data; finding comparable cities; in-house services; weighted averages; methodology; average calculations; fees and charges; revenue types; enterprise funds; taxation revenue sources; operating revenues and expenditures; pie charts; highlighting outliers; making valid comparisons; averages; language used in the statement; changing the word budget to expenditure; clarifying that regional cities actually refers to other cities; wordsmithing and the addition of

clarifying language; use of the word expense vs. expenditure; whether to combine animal, weed, street light and disaster categories into one category; clarifying comments to connect charts; figuring maintenance and landscaping costs; connecting statements; performance information; total amount spent; different classifications by different cities; combining street trees and landscaping with street maintenance; comparing average street maintenance costs per road mile; construction; capital projects; clarification that the grouping is controlled by the State Controller Data; Other Community Development; the dissolution of redevelopment; consistency of grammar; replacement of certain tables with graphical depictions; cities with golf courses; data dumps; a suggestion to bold the City names; placement of bullet points containing general statements; combined average increase to daytime population of the remaining cities; recalculations; clarifying figures; combined averages; the business tax composition; revenue by sources; licenses and permits; the General Fund; cities without General Funds or utilities; investment income; Finance Committee consideration of outliers; comparison cities; the reference to FTEs; the ratio of officers to citizens; adding context as to why the General Fund is important; using a conversational voice; qualifiers; the basis of measurement used; normalizing data; Senior Service Centers; transit; costs per rider; and annual service hours.

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Items from Staff

Item S-1

Discussion of December Agenda

Jeff Muir, Chief Financial Officer, discussed upcoming items scheduled for consideration at the December meeting.

Discussion ensued between staff and Committee Members regarding Measure Y, and the event sponsorship policy.

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Items from Committee Members

None.

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Adjournment

There being no further business, at 9:19 p.m., the Finance Advisory Committee adjourned its meeting to Wednesday, December 9, 2015 at 7:00 p.m. in the Dan Patacchia Meeting Room.

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Michelle Villongco
SECRETARY of the Culver City Finance Advisory Committee
Culver City, California

APPROVED

Goran Eriksson
CHAIR of the Finance Advisory Committee, Culver City, California

I declare under penalty of perjury under the laws of the State of California that, on the date below written, these minutes were filed in the Office of the City Clerk, Culver City, California and constitute the Official Minutes of said meeting.

Martin R. Cole
CITY CLERK

Date

City of Culver City, California
Finance Advisory Committee Agenda Item Report

Meeting Date: 12/09/2015		Item Number: <u>A-1</u>
AGENDA ITEM: Approval of Measure Y Sales Tax Status Report for Transmittal to City Council.		
Contact Person/Dept.: Jeff S. Muir/Finance	Phone Number: 310/253-5865	
Public Notification: (E-Mail) Meetings and Agendas – Finance Advisory Committee (12/04/15)		
Department Approval: Jeff Muir (12/04/15)		

RECOMMENDATION:

Staff recommends that the Finance Advisory Committee (FAC) approve the Measure Y Sales Tax Status Report and authorize transmittal to City Council.

DISCUSSION:

Item 2 on the FAC Work Plan is to 'Develop a methodology to analyze Measure Y proceeds and report the results to the public.' The attached Measure Y Status Report is a simple, one-page report that provides some background information on Measure Y, and shows budget versus actual results by fiscal year, top 25 Measure Y sales tax producers and the cumulative total received.

With approval of the FAC, and incorporating any changes requested by the FAC, staff will transmit this report to the City Council.

ATTACHMENTS:

- Measure Y Sales Tax Status Report V - Draft

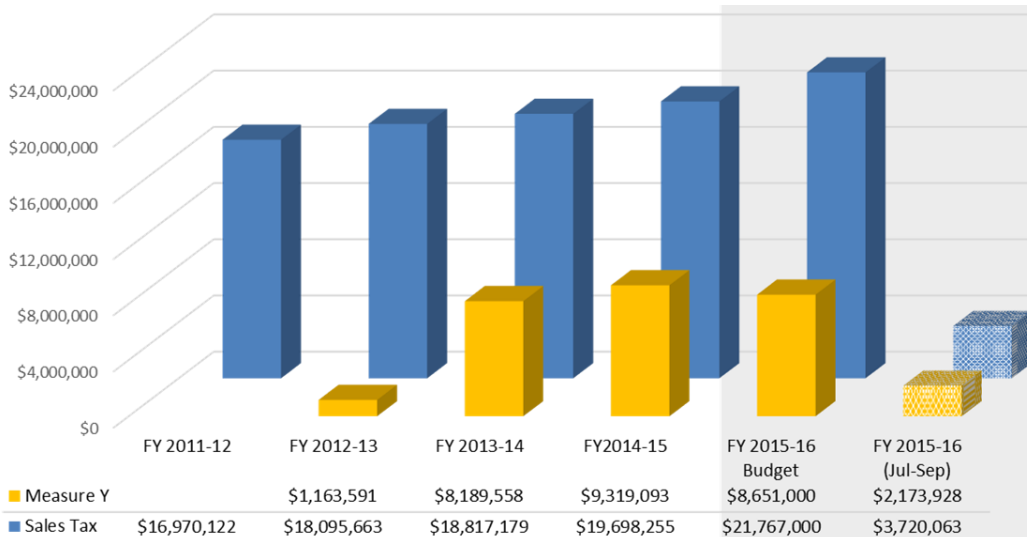
MOTION:

That the FAC:

- (1) Discuss the Measure Y Status Report;
- (2) Make recommendations to Staff; and
- (3) Authorize transmittal to City Council.

The purpose of this report is to provide the Council and residents a status update on Measure Y revenue activity that occurred in the City. This report captures Measure Y sales tax collections through the first quarter of the 2016 Fiscal Year.

CULVER CITY SALES TAX REVENUE



FISCAL YEAR 2016: QUARTER 1 MEASURE Y REVENUE

Through the first quarter of Fiscal Year 2016, Measure Y sales tax collections total \$2.2 million, or 25.1 percent of budgeted revenue.

First quarter Measure Y revenue tracked \$0.3 million (13.4 percent) lower than prior year receipts. This year-over-year decline was anticipated, as businesses were being brought into compliance with adopting the new tax at this time last year. Consumer goods and restaurants & hotels account for the City's largest sources of Measure Y sales tax revenues.

Cumulatively, a total of \$20.8 million in revenues has been raised since the measure's implementation.

Measure Y funds are budgeted as part of the annual budget approval process by the City Council. Funds received are deposited into the City's General Fund and allocated to sustain general municipal functions.

TOP 25 MEASURE Y SALES TAX PRODUCERS (in alphabetical order)

Amazon Com	Melrose Mac
Arco AMPM	Nordstrom Rack
Best Buy	Old Navy
Centinela Chevron	Ross
Costco w/Gas	Samys Camera
Culver City Chevron	Target
Foot Locker	Tesoro
Forever XXI	Toys R Us
Howard Industries	Verizon Wireless
JC Penney	Victoria's Secret
Jin's Shell	Vons
Macys	Westside Arco
	Wolfgang Puck

Source: HdL Companies, Culver City
Measure Y Sales Tax Update

Measure Y Sales Tax Status Report VII:

Measure Y is a voter-approved one-half percent transaction and use tax adopted to maintain City of Culver City critical services. With limited exceptions, the transactions and use tax is imposed on the same goods and merchandise as the local sales and use tax. The 10-year measure gained overwhelming voter approval in November 2012 and went into effect April 2013 to provide necessary resources to resolve the City's structural deficit issues and continue services at existing levels. Measure Y contains a sunset provision, which will result in the expiration of the measure on March 31, 2023 if not reauthorized by voters.

City of Culver City, California
Finance Advisory Committee Agenda Item Report

Meeting Date: 12/09/2015		Item Number: <u>A-2</u>
AGENDA ITEM: Discussion of Budget Benchmarking Study.		
Contact Person/Dept.: Jeff S. Muir/Finance	Phone Number: 310/253-5865	
Public Notification: (E-Mail) Meetings and Agendas – Finance Advisory Committee (12/04/15)		
Department Approval: Jeff Muir (12/04/15)		

RECOMMENDATION:

Staff recommends that the FAC continue its discussion and recommendation on the Budget Benchmarking Study.

DISCUSSION:

Item 1 of the FAC Work Plan is to ‘Undertake a Budget Benchmarking Project to compare where and how Culver City spends and receives money to selected similar communities. Analyze possibilities for alternative service delivery methods.’

Discussion of this Work Plan Item is being continued from the November 11th FAC Meeting. The FAC has reviewed municipalities throughout the State of California and has narrowed the scope of cities for comparative analysis from 478 to 8 cities.

The FAC will resume its review among three ad hoc Benchmark Review Subcommittees and staff. The FAC will discuss a consolidated document from Subcommittee reviews in anticipation of finalizing a full report for transmittal to City Council

ATTACHMENTS:

- None